

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5 Lease Serial No

NM-97127

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7 If Unit or CA/Agreement, Name and/or No

1 Type of Well



Oil Well



Gas Well



Other

OCT 05 2007

2. Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b Phone No. (include area code)

505-748-1471

4 Location of Well (Footage, Sec., T., R., M., OR Survey Description)

2180' FNL & 660' FWL of Section 6-T26S-R27E (Unit E, SWNW)

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8. Well Name and No

Punch BJD Federal #1

9. API Well No.

30-015-22471

10 Field and Pool or Exploratory Area

Wildcat Delaware

11. County or Parish, State

Eddy County, NM

12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other <u>vent</u> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13 Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Yates Petroleum Corporation respectfully requests to vent approximately 15 mcfpd.

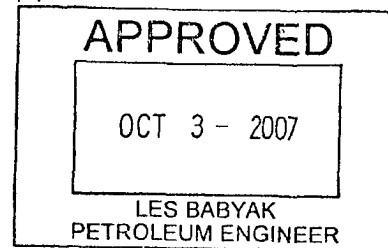
Average oil produced is 6 bbls per day.

At this time there is no gas connect in the area and it would be uneconomical to lay a pipeline. See attached documentation. Application to vent is made under Section IV (B) of NTL 4.

ACCEPTED FOR RECORD

APPROVED FOR 12 MONTH PERIOD
ENDING 10/3/08

OCT 10 2007



Gerry Guye, Deputy Field Inspector
NMOC-District II ARTESIA

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Michelle Taylor

Title Regulatory Compliance Mgr.

Signature

Michelle Taylor

Date September 25, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)